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Incorrect prices for prescription drugs were used for the CPI-U and CPI-W indexes from May through August 2016 in a number of areas. Several indexes were affected, including the all items and medical care indexes. A list of the series affected can be found at (www.bls.gov/bls/errata/cpi-price-corrections-10182016.htm), and the corrected data are available in the CPI database (www.bls.gov/cpi/data.htm).

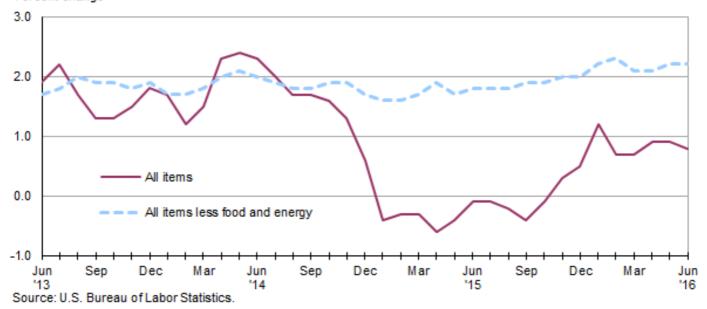
# Consumer Price Index, South Region – June 2016 Prices up 0.4 percent over the month and 0.8 percent over the year

The Consumer Price Index for All Urban Consumers (CPI-U) for the South was up 0.4 percent in June, the U.S. Bureau of Labor Statistics reported today. The energy index advanced 4.4 percent over the month and the all items less food and energy index inched up 0.1 percent. The food index edged down 0.2 percent in June. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect the impact of seasonal influences.)

Over the last 12 months, the all items CPI-U rose 0.8 percent. The all items less food and energy index increased 2.2 percent over the year reflecting price increases for several categories, most notably shelter. (See chart 1.)

Chart 1. Over-the-year percent change in CPI-U, South region, June 2013–June 2016

Percent change



### Food

The food index edged down 0.2 percent in June led by a decline in the food at home index (-0.4 percent). The food away from home index inched up 0.1 percent over the month.

The food index was unchanged over the year. The food at home index declined 1.4 percent since June 2015, while the food away from home index was up 1.9 percent.

## **Energy**

The energy index advanced 4.4 percent in June, reflecting price increases for electricity (5.3 percent), motor fuel (4.0 percent), and utility (piped) gas service (1.8 percent).

From June 2015—June 2016, energy prices declined 9.9 percent, reflecting a 15.9-percent drop in motor fuel prices. Prices for electricity (-3.6 percent) and utility (piped) gas service (-1.0 percent) also declined over the year.

## All items less food and energy

The all items less food and energy index inched up 0.1 percent in June led by an increase in the shelter index (0.3 percent).

Since June 2015, the all items less food and energy index advanced 2.2 percent, led by increases in several indexes, most notably, shelter (2.9 percent). Other indexes with increases over the year included medical care (3.4 percent), education and communication (1.4 percent), recreation (1.6 percent), and other goods and services (2.5 percent).

Table A. South region CPI-U 1-month and 12-month percent changes, all items index, not seasonally adjusted

	2012		2013		2014		2015		2016	
Month	1-month	12-month								
January	0.5	3.2	0.4	1.6	0.3	1.7	-0.7	-0.4	0.0	1.2
February	0.6	3.3	0.9	1.8	0.4	1.2	0.5	-0.3	0.1	0.7
March	0.7	2.8	0.3	1.5	0.6	1.5	0.6	-0.3	0.6	0.7
April	0.4	2.5	-0.2	0.9	0.5	2.3	0.3	-0.6	0.4	0.9
May	-0.4	1.6	0.0	1.3	0.2	2.4	0.4	-0.4	0.4	0.9
June	-0.2	1.7	0.4	1.9	0.2	2.3	0.5	-0.1	0.4	0.8
July	-0.2	1.4	0.2	2.2	-0.1	2.0	-0.1	-0.1		
August	0.6	1.6	0.1	1.7	-0.2	1.7	-0.2	-0.2		
September	0.5	2.1	0.0	1.3	0.1	1.7	-0.2	-0.4		
October	-0.2	2.1	-0.2	1.3	-0.3	1.6	0.0	-0.1		
November	-0.5	1.6	-0.3	1.5	-0.6	1.3	-0.2	0.3		
December	-0.1	1.7	0.1	1.8	-0.6	0.6	-0.4	0.5		

The Consumer Price Index for July 2016 is scheduled to be released on Tuesday, August 16, 2016.

### **Technical Note**

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 89 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 28 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 6,000 housing units and approximately 24,000 retail establishments—department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at <a href="www.bls.gov/cpi">www.bls.gov/cpi</a> and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at <a href="http://www.bls.gov/opub/hom/pdf/homch17.pdf">http://www.bls.gov/opub/hom/pdf/homch17.pdf</a>.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. **NOTE:Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.** 

The **South region** is comprised of Alabama, Arkansas, Delaware, District of Columbia, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia.

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Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periodsSouth (1982-84=100 unless otherwise noted)

		Indexes		Percent change from-			
Item and Group	Apr. 2016	May 2016	Jun. 2016	Jun. 2015	Apr. 2016	May 2016	
Expenditure category							
All Items.	231.975	232.906	233.838	0.8	0.8	0.4	
All items (December 1977=100)	376.295	377.806	379.317	-	-		
Food and beverages	246.329	245.899	245.427	0.1	-0.4	-0.2	
Food	247.685	247.128	246.622	0.0	-0.4	-0.2	
Food at home	239.123	237.930	236.877	-1.4	-0.9	-0.4	
Food away from home	263.298	263.683	263.986	1.9	0.3	0.1	
Alcoholic beverages	226.871	228.379	228.427	1.7	0.7	0.0	
Housing	223.762	224.587	226.264	1.8	1.1	0.7	
Shelter	256.290	257.150	257.928	2.9	0.6	0.3	
Rent of primary residence (1)	264.147	264.949	265.603	3.5	0.6	0.2	
Owners' equiv. rent of residences (1) (2)	258.039	258.748	259.261	2.5	0.5	0.2	
Owners' equiv. rent of primary residence (1) (2)	258.028	258.736	259.250	2.5	0.5	0.2	
Fuels and utilities	221.103	223.388	231.538	-1.9	4.7	3.6	
Household energy	177.943	180.293	188.923	-3.4	6.2	4.8	
Energy services (1)	178.301	180.740	189.561	-3.2	6.3	4.9	
Electricity (1)	178.394	181.077	190.668	-3.6	6.9	5.3	
Utility (piped) gas service (1)	162.875	163.465	166.364	-1.0	2.1	1.8	
Household furnishings and operations	121.265	120.981	121.493	-0.9	0.2	0.4	
Apparel	136.869	136.625	135.240	0.7	-1.2	-1.0	
Transportation	194.784	198.250	199.690	-3.3	2.5	0.7	
Private transportation	192.535	195.705	197.017	-3.4	2.3	0.7	
New and used motor vehicles (3)	104.353	104.033	103.558	-0.5	-0.8	-0.5	
New vehicles	154.445	154.010	153.173	-0.4	-0.8	-0.5	
New cars and trucks (3) (4)	105.171	104.876	104.235	-0.4	-0.9	-0.6	
New cars (4)	154.659	154.128	153.271	-1.1	-0.9	-0.6	
Used cars and trucks	148.060	147.674	146.666	-2.6	-0.9	-0.7	
Motor fuel	177.154	190.330	197.954	-15.9	11.7	4.0	
Gasoline (all types)	176.441	189.611	197.173	-15.8	11.8	4.0	
Unleaded regular (4)	171.956	185.246	192.795	-16.6	12.1	4.1	
Unleaded midgrade (4) (5)	195.669	208.865	215.973	-13.3	10.4	3.4	
Unleaded premium (4)	195.403	206.881	214.038	-11.9	9.5	3.5	
Medical care	437.480	437.172	438.307	3.4	0.2	0.3	
Medical care commodities	351.695	348.286	350.409	2.9	-0.4	0.0	
Medical care services.	466.316	467.261	467.982	3.5	0.4	0.2	
Professional services		361.628	363.009	1.8	0.8	0.4	
Recreation (3)		118.432	118.389	1.6	0.0	0.0	
Education and communication (3)	137.200	136.790	136.717	1.4	-0.4	-0.1	
Other goods and services.	412.283	414.542	416.425	2.5	1.0	0.5	
Commodity and service group							
All Items	231.975	232.906	233.838	0.8	0.8	0.4	
Commodities	180.223	180.903	181.184	-2.3	0.5	0.:	
Commodities less food and beverages	148.920	150.024	150.599	-3.7	1.1	0.4	
Nondurables less food and beverages	187.988	191.209	193.226	-4.6	2.8	1.1	
Nondurables less food, beverages, and apparel	220.353	225.526	229.431	-6.3	4.1	1.7	
Durables	111.435	110.935	110.427	-1.9	-0.9	-0.	
Services	284.133	285.316	286.884	2.7	1.0	0.5	
Rent of shelter <sup>(2)</sup>	263.010	263.901	264.687	2.9	0.6	0.3	
Transportation services	325.023	328.485	329.461	5.2	1.4	0.3	

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periodsSouth (1982-84=100 unless otherwise noted) - Continued

		Indexes		Percent change from-			
Item and Group	Apr. 2016	May 2016	Jun. 2016	Jun. 2015	Apr. 2016	May 2016	
Other services	339.754	340.218	340.398	2.9	0.2	0.1	
Special aggregate indexes							
All items less medical care	220.702	221.684	222.600	0.6	0.9	0.4	
All items less food	229.327	230.487	231.638	0.9	1.0	0.5	
All items less shelter	223.568	224.535	225.537	-0.2	0.9	0.4	
Commodities less food	151.333	152.451	153.016	-3.5	1.1	0.4	
Nondurables	215.657	217.131	217.958	-2.3	1.1	0.4	
Nondurables less food	189.963	193.091	195.002	-4.2	2.7	1.0	
Nondurables less food and apparel	219.817	224.671	228.247	-5.7	3.8	1.6	
Services less rent of shelter (2)	319.580	321.172	323.781	2.6	1.3	0.8	
Services less medical care services	267.663	268.845	270.445	2.6	1.0	0.6	
Energy	173.868	180.957	188.961	-9.9	8.7	4.4	
All items less energy	239.219	239.475	239.631	1.9	0.2	0.1	
All items less food and energy	238.141	238.541	238.812	2.2	0.3	0.1	
Commodities less food and energy commodities	149.111	148.579	148.172	-0.6	-0.6	-0.3	
Energy commodities	180.474	193.537	201.122	-15.8	11.4	3.9	
Services less energy services	295.329	296.366	297.102	3.2	0.6	0.2	

<sup>(1)</sup> This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

Regions defined as the four Census regions. South includes Alabama, Arkansas, Delaware, District of Columbia, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia.

NOTE: Index applies to a month as a whole, not to any specific date. Data not seasonally adjusted.

<sup>(2)</sup> Index is on a December 1982=100 base.

<sup>(3)</sup> Indexes on a December 1997=100 base.

<sup>(4)</sup> Special index based on a substantially smaller sample.

<sup>(5)</sup> Indexes on a December 1993=100 base.

<sup>-</sup> Data not available.